THE CONNECTOR

The Secretary's Acting Special Representative Mary Pensabene
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Letter from the Acting Special Representative

Deputy Secretary of State William Burns delivers remarks at an event for U.S.-China EcoPartnerships at the U.S.-China Strategic and Economic Dialogue. July 2013

Colleagues,

As Acting Special Representative, I want to extend my sincere gratitude for the partnerships that we have been able to make with you, and I look forward to collaborating further on subnational issues. Our office remains committed to providing a platform for subnational engagement and working with our state and local partners to forge relationships with their counterparts abroad.

The Office of the Special Representative for Intergovernmental Affairs has been able to provide support for robust subnational relationships in recent months. In this issue of the Connector, you will read about our work with the U.S.-China Governors Forum and the successes of Governor Brown's recent trade mission to China. This issue also explores our office's role in introducing U.S. subnational entities with their Brazilian counterparts in a security symposium for international sporting events at the World Cultural Economic Forum in preparation for the 2014 FIFA World Cup in Brazil.

Looking forward, we are excited to build on the relationships and initiatives that we have facilitated over the years while maintaining our focus on the goals of Secretary Kerry. Some efforts include the recent collaborative agreements between U.S. and China regarding environmentally friendly partnerships at the U.S.-China Strategic and Economic Dialogue. These agreements reinforce the significance of subnational involvement on issues of international environmental sustainability.

In the weeks to come, the office will provide support for subnational involvement in the nineteenth session of the Conference of the Parties (COP19) to the UN Framework Convention on Climate Change in Warsaw, Poland, November 11-12, 2013. Our state and local partners continue to be some of the strongest ambassadors of our government abroad and we will continue to serve as the connection to their global peers.

Sincerely,

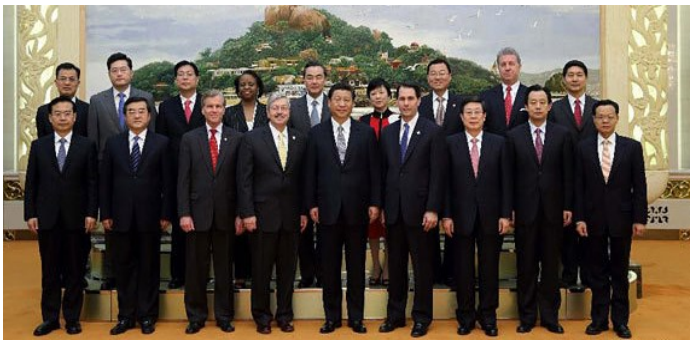
Mary Pensabene

Acting Special Representative for Global Intergovernmental Affairs

Did You Know?

- ◊ Together, the United States and China account for more than 40 percent of global coal consumption.
- ◊ Ten out of thirteen South American countries border Brazil; only Chile and Ecuador do not.
- ◊ Of Fortune 500's top companies in the world, 400 of those have invested and manufactured in China.

U.S.-China Governors Forum



Special Representative Lewis and U.S. and Chinese governors with President Xi. April 2013.

In April 2013, subnational leaders from the United States and China discussed economic and trade cooperation as well as environmental management at the third installment of the U.S.-China Governors Forum. Former Special Representative Reta Jo Lewis, Iowa Governor Terry Branstad, Virginia Governor Robert McDonnell, and Wisconsin Governor Scott Walker traveled to Beijing and Tianjin, China to participate in the event with five Chinese provincial leaders.

The Forum is a crucial component of the U.S.-China subnational initiative. It was originally established in the 2011 Memorandum of Understanding Concerning the Establishment of a U.S.-China Governors Forum to Promote Subnational Cooperation and has since been an essential part of a historic level of subnational engagement between the two countries. Bilateral cooperation and dialogue, explained former Special Representative Lewis, "has moved beyond traditional diplomacy into the fields of economic and commercial engagement."

During the Forum, U.S. governors met with Chinese President Xi Jinping, becoming the third group of Americans to meet with the newly elected President. In speaking with the U.S. and Chinese governors, President Xi called for deeper regional collaboration between the two countries and encouraged further subnational cooperation and joint efforts in the fields of agriculture, energy, conservation, urban planning, and infrastructure. President Xi's friendship with Governor Branstad and experience with U.S.-China subnational relationships dates back to 1985. While a county-level government head in Hebei province, President Xi visited Iowa and first met Governor Branstad. The exchange was part of a sister state program established two years earlier between Iowa and the Hebei province.

The Forum focused largely on economic and commercial engagement. Three of the U.S. Governors lead their own trade and economic delegations in an effort to further collaboration on economic opportunities at the subnational level. Over the course of the two-day event, leaders addressed cooperation in agriculture, trade, culture, and education.

U.S. and Chinese leaders concluded the Forum on April 16 after fruitful discussions. As in years past, the Forum enhances the subnational relationship between the U.S. and China as both sides continue mutually beneficial discussions.

Governor Brown Conducts Successful Trade Mission to China

Governor Brown opens a new trade and investment office in Shanghai. April 2013.

In April 2013, California Governor Edmund G. Brown conducted a highly successful trade and investment mission to China. Governor Brown reinforced one of the most important U.S.-China subnational relationships between California and Guangdong. Multimillion-dollar business deals between Californian and Chinese companies were announced and agreements were signed pledging collaboration on low carbon economic development during the visit. The trade and investment mission occurred April 10-16. Governor Brown was joined by a delegation of 75 business, economic development, investment, and policy leaders from throughout California.

Governor Brown's trade and investment mission included visits to China's capital city and to some of China's largest economic centers. Governor Brown announced business and economic outcomes at a reception hosted by U.S. Ambassador Gary Locke at U.S. Embassy Beijing. Major successes include a $1.5 billion investment partnership between a California-based developer and a China-based investor and developer, and Governor Brown's opening of a trade and investment office in Shanghai. "This massive influx of Chinese investment will put thousands of Californians to work and dramatically improve Oakland's waterfront," said Governor Brown.

Governor Brown highlighted opportunities for bilateral trade and investment between China and California while also stressing the importance of collaboration between California and China on renewable energy, climate, research, higher education, and technology. On the final day of the mission, the Governor met with Chairman Wang Chuanfu of the auto manufacturing company BYD, which was recently awarded a $12.1 million contract to supply the city of Long Beach, CA with electric public buses. During the meeting, the Governor and Chairman Wang discussed ways that California can reach its goals of using renewable sources for one-third of its energy supplies by 2020, and placing one million electric cars on California roads in 2025.

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Showcasing Subnational Partnerships

Subnational entities around the world are forming relationships with states, provinces and territories. In today's era of 21st Century Statecraft, diplomacy is moving beyond formal relations between sovereign states and towards networks of people. This more ambiguous sphere of citizen diplomacy creates opportunities for subnational leaders to become some of our most creative and talented ambassadors. The United States embraces open societies, open markets, and open government, fostering a decentralization of diplomacy welcomed by subnational entities. Many subnational entities, including in Peru, Colombia, and Brazil, have signed Memoranda of Understanding (MOU) to formalize their collaboration with subnational counterparts abroad.

Governor Patrick meets with President Humala. June 2013.

In June 2013, Peruvian President Ollanta Humala embarked on a three-day tour of the United States to foster greater subnational engagement. President Obama and President Humala signed a joint statement welcoming closer subnational relations and expanding opportunities for mutual collaboration. Immediately following his meeting with President Obama, President Humala and other Peruvian subnational leaders traveled to Boston where they signed an MOU with Massachusetts to formalize cooperation on culture, education, and science and technology development. Massachusetts Governor Deval Patrick welcomed the visit and stated that, "By strengthening our partnership with Peru, we are encouraging international investment in an emerging market and creating new economic opportunities at home." President Humala also signed his country's first partnership with a U.S. State in Delaware. The partnership establishes the framework for a dialogue that builds upon Peru's growing agricultural exports and Delaware's seaport as the leading North American port for perishables. President Humala also signed a MOU with Diamond State Port Corporation. Humala continued his engagement with U.S. subnational groups, signing additional memoranda of understanding with the state of Utah and with Puerto Rico to encourage increased commercial ties and educational exchanges.

Subnational entities are capitalizing on the potential for subnational relations to strengthen ties and promote economic stimulus. For example, in June 2013, Puerto Rico and Colombia signed an MOU emphasizing the strengthening and promotion of commercial and cultural exchange. The MOU will help further cooperation and collaboration on the topics of health care, education, infrastructure, ports, tourism, and agriculture. Puerto Rico and Colombia hope that this coordinated effort will open future trade possibilities.

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A Look Back and A Look Forward

On May 31, 2013 Special Representative Reta Jo Lewis officially resigned from her position in the U.S. Department of State. Former Secretary of State Hillary Clinton designated Ms. Lewis as the first Special Representative for Global Intergovernmental Affairs in 2010. During her tenure, Ms. Lewis worked tirelessly to extend collaboration, understanding, and interest beyond national governments to individuals, businesses, and state and provincial governments.

Special Representative Lewis greets Brazil Federal District Governor Agnelo Queiroz during his visit to Washington, D.C. March 2013.

Among the many accomplishments that Ms. Lewis achieved during her tenure are negotiating and instituting key collaborative frameworks for subnational engagement. The first was in January 2011 between the United States and China. Former Secretary Clinton and Foreign Minister Yang Jiechi signed the MOU Concerning the Establishment of a U.S.-China Governor's Forum to Promote Sub-National Cooperation. The MOU has led to historic levels of engagement at the subnational level, including three U.S.-China Governors Forum meetings. Ms. Lewis was also instrumental in the creation of a 2012 MOU signed by the United States and Brazil to increase subnational cooperation. This has led to an increase in business and social ties and large-scale collaborative meetings between U.S. and Brazilian security officials. Another of Ms. Lewis's successes was Former Secretary Clinton welcoming Indian Minister of External Affairs Shri S.M. Krishna's proposal for a "Conversation between Cities" in the June, 2012 Joint Statement on the Third U.S.-India Strategic Dialogue. The initiative outlines opportunities for U.S. and Indian subnational entities to discuss solutions to urban challenges and to foster greater economic ties, understanding, and friendship. Ms. Lewis also helped subnational engagement become a key priority in a U.S.-Russia joint statement on interregional cooperation. The Office of the Special Representative for Global Intergovernmental Affairs (S/SRGIA) is working to advance those partnerships through connecting cities and oblasts. Among the fruits of this statement is S/SRGIA support to Russian officials who will visit Nebraska and Kansas this fall.

Ms. Lewis understood that 21st century statecraft happens not only through nation-to-nation interaction, but also through prolonged peer-to-peer engagement. She knew that some of our most talented and articulate citizen ambassadors are serving at the local level

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S/SRGIA: Providing the Platform for Subnational Engagement

Since its creation in 2010, S/SRGIA has worked to fulfill the mission of subnational engagement as a foreign policy tool by coordinating peer-to-peer opportunities for subnational dialogue. S/SRGIA has established and maintains relationships with U.S. State and local leaders and facilitates trade and investment missions as well as subnational collaborative efforts on issues of global significance. It is through this work that U.S. leaders and their foreign counterparts have formed robust partnerships that foster economic, cultural, and educational relationships.

> *"One of the real highlights for me during my three and a half years as Special Representative has been to witness the development of the U.S.-China Subnational Initiative."*
>
> **Special Representative Reta Jo Lewis**

In keeping with S/SRGIA's goal of promoting global trade and investment, S/SRGIA hosted a Global Engagement Series (GES) conference for the Greater Phoenix Economic Council in April 2013. More than a dozen Arizona mayors, business leaders, and their staff, attended. The GES explored pathways for mayors and business leaders to seek international business opportunities with other subnational leaders around the world, and particularly those in China. S/SRGIA advised the Greater Phoenix Economic Council on techniques for working with other Arizonans to encourage and facilitate increased tourism and foreign travel to their state. During the GES, Special Representative Lewis highlighted the work S/SRGIA has done to foster ongoing engagement between American and Chinese governors. She spoke about the U.S. – China Governors forum that took place in Tianjin last April as well as the investment forum hosted in Beijing by U.S. Ambassador Gary Locke in 2012. These concrete examples of U.S.-Chinese subnational engagement promoted trade and investment, cooperation on environmental issues, and educational and cultural exchanges.

S/SRGIA remains committed to employing economic statecraft to further advance U.S. foreign policy priorities and create a bridge between U.S. local officials and their counterparts abroad. Recently, S/SRGIA has had several opportunities to host business and economic delegations from Russia. In April 2013, Special Representative Lewis hosted a meeting with a delegation of local leaders from the Samara Region. Representatives from the Russian Embassy and the State Department's Office of Russian Affairs also attended. The delegation from Samara sought S/SRGIA's assistance in establishing an economic relationship with U.S. governors who had previously indicated an interest in engaging with Russia.

Secretary Kerry has stated "…The decisions that we make from the safety of our shores don't just ripple outward; they also create a current right here in America." As S/SRGIA continues forward, the office will continue to reach out to state and local leaders, both at home and abroad, to fulfill the mission of using subnational engagement as a powerful tool of U.S. foreign policy.

U.S.-China Strategic and Economic Dialogue

In July 2013, Officials from the United States and China held in-depth, fruitful discussions in Washington, D.C., at the fifth round of the U.S.-China Strategic and Economic Dialogue (S&ED). The S&ED was chaired by Secretary of State John Kerry, Secretary of the Treasury Jack Lew, State Councilor Yang Jiechi, and Vice Premier Wang Yang of China. Vice President Joseph Biden delivered remarks during the opening session.

The S&ED is an annual meeting of high-level representatives of both countries to discuss a range of bilateral, regional and global political, security, strategic, and economic issues. The S&ED alternates locations each year between Washington, D.C., and Beijing. The first S&ED took place in July 2009 in Washington, D.C.

Secretary Kerry and Chinese leaders meet at the Joint Session on Energy Security. July 2013.

While the focus was on major bilateral and global issues, attention was also paid to regional and subnational work. Concrete outcomes from these discussions included several decisions to recommit to deepening the strategic trust and cooperation between the United States and China, including through subnational relations. Contributions by subnational entities include work to enhance relationships at the subnational level, as outlined in the Memorandum of Understanding (MOU) Concerning the Establishment of the U.S.-China Governors Forum to Promote Subnational Cooperation. Through this forum, both countries are able to realize productive, subnational exchanges especially in the areas of economics and environment.

In addition to the MOU, the United States and China strengthened their relationships through the management of existing sister-city and sister-state relationships and the development of new partnerships. There are over 200 sister-city/sister-state relationships between the United States and China. Both sides welcome new subnational relationships that foster innovation, create new business opportunities, and expand people-to-people exchanges.

During the S&ED, special focus was paid to cooperation between the countries on energy and environmental issues, including the induction of new EcoPartnerships. EcoPartnerships bring together experts and innovators from U.S. cities, states, companies, universities and NGOs, and their counterparts in China to work together, exchange best practices, and find solutions to local challenges. The program often produces benefits that will be felt across both societies and can be easily replicated elsewhere.

Six new EcoPartnerships were admitted during the S&ED. The partnerships will seek to spur innovation, investment and coopera-

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Successful Security Symposium for Mega Sporting Events in New Orleans

S/SRGIA, in cooperation with the Bureau of Diplomatic Security, hosted a Major Sporting Events Security Symposium for public safety officials responsible for hosting the 2014 World Cup games in New Orleans from April 30-May 1. The conference was an outcome of two U.S.-Brazilian MOUs to encourage subnational cooperation and support to major global sporting events. Brazil's Federal Districts, and the Brazilian states of Sao Paulo, Rio de Janeiro, and Amazonas sent representatives.

Special Representative Lewis delivers remarks at the World Cultural Economic Forum. April 2013.

Officials from U.S. federal, state, and local law enforcement agencies responsible for the organization and support of Super Bowl XLVII collaborated with their Brazilian counterparts during the two-day symposium. U.S. and Brazilian officials discussed best practices for coordinating major sporting events, including topics regarding incident response, communicating between multiple levels, and corporate security. Leaders shared best practices and networked at the symposium.

The Security Symposium was held concurrent with the World Cultural Economic Forum (WCEF). The WCEF is an annual conference hosted by the city of New Orleans and the U.S. Conference of Mayors dedicated to capitalizing on culture to drive the creation of vibrant cities, strong economies, and new partnerships. Former Special Representative Reta Jo Lewis provided remarks, focusing on the possibility for subnational networks to be "force-multiplier[s]" for the reach and effectiveness of soft power.

WCEF chose to incorporate a special session on hosting large International Sporting Events. The Brazilian delegation participated in this session to share their experiences and network with WCEF participants.

S/SRGIA was instrumental in introducing the U.S. subnational entities to their Brazilian counterparts. This event built upon an established desire and commitment to strengthen U.S. and Brazilian subnational ties. It has laid the groundwork for enduring connections that will benefit the people of both the United States and Brazil. With the 2014 FIFAWorld Cup fast approaching, S/SRGIA will continue to facilitate and support local Brazilian officials as they seek to collaborate with their U.S. subnational counterparts.

Governor Brown Conducts Successful Trade Mission to China *(Continued)*

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Governor Brown met with Chinese central and provincial leaders in business and government and signed six memoranda of understanding on trade and environmental issues, including a first-of-its-kind agreement between a subnational entity and the Ministry of Commerce. This agreement established a joint working group on trade and investment cooperation in order to further expand economic ties and strengthen communication between China and California. The working group consists of representatives from California, six Chinese Provinces, and the Chinese Ministry of Commerce.

Governor Brown's trade mission follows more than a year of significant diplomatic and business exchanges between the State of California and China. The Office of the Special Representative for Global Intergovernmental Affairs, in collaboration with the U.S. Embassy in Beijing, supported Governor Brown in the planning and execution of the trade mission. The mission and its success demonstrate the importance and potential effects of continued efforts to increase U.S.-China engagement at the local level. As the U.S.-China relationship continues to deepen, the greater the need for similarly strong collaborative efforts on the subnational level becomes.

Showcasing Subnational Partnerships *(Continued)*

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In an MOU signed between the Brazilian State of Sao Paolo and the United States in March 2013, both participants agreed to work collaboratively to build a relationship which develops education, research and development, trade and investment, and tripartite cooperation towards sustainable development in African countries. The United States and Sao Paulo have formalized the relationship by establishing a working group of public authorities and technical teams from each country that will develop a bilateral consultation mechanism between the participants. This will allow participants to take turns in organizing discussions and exchanges on cooperative projects. This partnership is yet another clear example of subnational engagement to encourage development across borders.

Subnational entities, on their own initiative, are seeking out opportunities to engage with their global counterparts. The Office of the Special Representative of Global Intergovernmental Affairs exists to provide assistance and facilitate the engagement between subnational leaders in the United States and their counterparts abroad in order to maximize their potential. As subnational engagement becomes more common, S/SRGIA continues to welcome opportunities to support and assist local leaders.

A Look Back and A Look Forward *(Continued)*

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and she used her position to help them leverage their talents. By providing a platform for subnational leaders in the United States and their counterparts abroad to connect, she helped subnational leaders achieve their personal goals while advancing President Obama's priorities, particularly economic diplomacy and U.S. job growth.

Ms. Lewis has left a strong legacy of subnational engagement. She will be missed for her unrelenting commitment to providing a platform to broaden and deepen U.S. foreign policy goals through facilitating subnational engagement. We are grateful for her leadership and service.

Looking forward, Ms. Mary Pensabene has been appointed as Acting Special Representative for Global Intergovernmental Affairs. During this time of transition, S/SRGIA remains committed to facilitating engagement between U.S. subnational entities and their counterparts abroad. S/SRGIA continues to leverage its resources and relationships to support subnational exchange, economic leadership, and increased partnerships at home and abroad.

U.S.-China Strategic and Economic Dialogue *(Continued)*

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tion on energy and environmental issues in both countries. Critical investment by and pragmatic cooperation among EcoPartners at the sub-national level translates the strategic goals of the action plans into concrete achievements. Further, six pilot cities were announced for the Eco-City Project, which was established to study and develop comparative eco-city guidelines and standards, determine technology and deployment needs, and assess the effects and best practices in sustainable urban development. The Mayors Training Program, which trains mayors in eco-city development, welcomed the fourth delegation of Chinese mayors to the United States in June 2012. The mission of the Mayors Training Program is to examine best practices in eco-city development and to promote the exchange of ideas and the deployment of green technologies. They look forward to sending a second delegation of U.S. mayors to China in September 2013.

COUNTDOWN TO THE 2014 FIFA WORLD CUP IN BRAZIL

The FIFA World Cup in Brazil will run from Thursday June 12, 2014 to Sunday July 13, 2014. The event will be held in 12 cities across Brazil.

From Thursday, October 24, 2013 there are **230 days** until kick off!

Contacting S/SRGIA

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